



# **Virginia Housing Development Authority**

## **Overview**

**Virginia Housing Commission**  
**June 7, 2006**





# **VHDA Mission and Vision**

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## **VHDA's Mission**

*We help low and moderate income Virginians attain quality, affordable housing.*

## **VHDA's Vision**

*VHDA is The Leading Mobilizing Force for Affordable Housing in Virginia.*



## VHDA Helps Virginians

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- VHDA has financed more than **140,000** homes and more than **109,000** rental apartment units.
- Partnerships with housing stakeholders help VHDA reach borrowers, understand community needs and develop programs that help Virginians.



## **VHDA Funding Sources**

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- VHDA is a self-supporting State Authority that receives no State appropriations.
- VHDA's principal source of loan capital is raised from private investors through the sale of tax-exempt and taxable notes and bonds.
- VHDA's bonds are not obligations of the Commonwealth. VHDA has not issued "moral obligation" bonds since 1999. Currently, only \$496 million of such moral obligation bonds are outstanding and all of such bonds are expected to be fully retired within the next five years.



## **VHDA Loans: Housing Made Affordable**

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- VHDA provides a variety of low-interest loans to purchase homes or build, renovate or refinance rental housing.
- VHDA loans meet the needs of today's housing markets, including high-cost, high-growth areas; revitalization in older cities; and slow-growth communities.
- VHDA helps low- to moderate-income Virginians rent affordable apartments or purchase homes.



## **VHDA Loans: Homeownership Made Affordable**

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- VHDA loan features include:
  - No down payment or mortgage insurance
  - High loan-to-value options
  - Down payment and closing cost assistance
  - Flexible credit underwriting
  - Interest-only payments for part of the term
- VHDA rates also are generally lower than other lenders in the conventional market.



## **VHDA Loans: Homeownership VHDA. Made Affordable**

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- Most VHDA loans are for first-time homebuyers.
- All loans have maximum income and sales price limits and/or loan limits.
- Borrowers can apply for VHDA's loans through a statewide network of lenders who process and approve our loans.
- In areas with limited access to traditional mortgage lenders, VHDA operates Mobile Mortgage Vans to originate loans directly.



## **Sustaining Homeownership**

- Due to unexpected hardships, borrowers sometimes face the risk of losing their homes.
- VHDA is committed to keeping borrowers in their homes.
- VHDA proactively uses a variety of tools and techniques, including counseling, to help customers remain in their homes.





## **Homeownership Education**

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- VHDA Homeownership Education classes are held more than 35 times a month in locations around the state.
- Classes are designed to help first-time homebuyers prepare to make important choices about owning a home.
- Participants learn the process of buying a home, understanding credit issues and developing a spending plan.



## **Shaping Communities: Multifamily Rental Housing Services**

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- VHDA offers developers a variety of funding sources to finance the construction and revitalization of rental properties across the state.
- VHDA now offers financing for certain projects that include a mixed-use or mixed-income component. This program is a valuable resource for localities seeking innovative ways to bring residents into struggling downtowns.
- VHDA's multifamily rental developments help stabilize communities and revitalize areas that are threatened by blight and substandard housing.



## **Shaping Communities: Multifamily Rental Housing Services**

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- Many of VHDA's multifamily rental housing loans are financed with multiple layers of funding.
- Sources include VHDA taxable and tax-exempt bonds, federal Low-Income Housing Tax Credits (which the authority administers), and REACH Virginia.



## **REACH Virginia**

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- VHDA's REACH Virginia program provides subsidized financing initiatives that address targeted priority needs.
- VHDA's REACH Virginia team provides outreach to African Americans, local governments, non-profits, Northern Virginia communities, people with disabilities, seniors and others.



## **Tax Credit Program**

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- VHDA administers the federal Low Income Housing Tax Credit program in Virginia.
- This program is generally recognized as the single most effective incentive for rehabilitating existing or constructing new, affordable multifamily housing.
- VHDA accepts applications for competitive tax credits once a year. Applications are ranked according to scoring criteria outlined in our Qualified Allocation Plan (QAP).



## **Housing Choice Vouchers**

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- VHDA helps administer the federal Housing Choice Voucher Program, which assists very low-income families, the elderly and the disabled by providing all or a portion of rental payments.
- VHDA works through a network of local agencies, which are then subcontracted to run the day-to-day operations of the program.
- VHDA administers 9,000 vouchers statewide. The balance of the state's total 34,000 vouchers is administered directly by other local housing agencies.



## **VHDA's Partnerships**

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- VHDA relies heavily on its partnerships with other housing stakeholders and advocates.
- VHDA stays in touch through its advisory groups, representing Lenders, Local Governments, Multifamily Developers, Realtors and others.
- These advisory groups keep VHDA connected with the spectrum of affordable housing issues facing the Commonwealth.



# **VHDA's Strategic Plan**

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The results of our housing needs assessment led VHDA's management to articulate five strategic goals:

**Goal 1: Expand affordable housing opportunities throughout Virginia's diverse communities**

**Goal 2: Address the housing needs of minorities and diverse cultures**

**Goal 3: Support community revitalization efforts**

**Goal 4: Increase housing opportunities for seniors and people with disabilities**

**Goal 5: Strengthen VHDA's long-term ability to provide Affordable Housing in Virginia**





## **VHDA Contact Information**

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- **VHDA Website: [www.vhda.com](http://www.vhda.com)**
- **Toll-Free Number: 1-877-VHDA-123**